

Request for Qualifications

Vehicle Towing and Storage Services

For

The City of Grand Terrace



KEY RFQ DATES:

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| • Issuance of RFQ by City | Monday, August 15, 2016 |
| • Deadline Questions/Clarification Requests | Monday, August 22, 2016 (5:00 p.m.) |
| • Deadline for Submitting Complete Qualifications | Tuesday, August 30, 2016 (4:00 p.m.) |
| • Site Inspection of Towing Facilities | Wednesday, August 31, 2016 |
| • Presentation to City Council for Final Approval | Tuesday, September 13, 2016 |

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Request for Qualifications Vehicle Towing and Storing Services

I. Introduction

The City of Grand Terrace ("City") is requesting qualifications from qualified towing vendors to provide vehicle towing and secure storage services on an exclusive basis to the City of Grand Terrace for vehicles in violation of the City's parking laws, ordinances, and/or regulations. The City invites qualified vehicle towing and secure storage service operators to submit their qualifications to provide these services. The City will consider awarding one exclusive Contractor Agreement in total. The Contractor Agreement awarded to the firm with the selected qualifications (hereafter referred to as the "Towing Service Provider") will be for an initial three-year term with two City-held options to extend the Contractor Agreement for two (2) one-year extension terms subject to the same terms and conditions.

The City shall be under no obligation to award any contract nor shall it be under any obligation to award more than one contract. City shall also be under no obligation to extend the term of any contract beyond the initial three-year base term or beyond the first of the two extension terms. All qualifications must be received in writing by the deadline to the attention of Patricia Jacquez Nares, City Clerk, located at 22795 Barton Road, Grand Terrace, CA 92313.

II. Background

Grand Terrace is located approximately 60-miles from Los Angeles in the County of San Bernardino. The City is situated off the I-215 freeway, between the I-10 and the 60 freeways, encompassing an area of approximately 3.6 square miles. The City has a current population of 13,337. The City was incorporated in 1978 as a general law city, operating under a council/city manager form of government. The City's adopted operating budget for FY 2016-17 is approximately \$11 million, with an adopted General Fund budget of approximately \$4.7 million. The City's fiscal year is July 1 to June 30.

III. Scope of Work

The Proposer shall have experience with vehicle towing and secure storage services for vehicles caused to be removed from public or private property and shall comply with all applicable, Federal, State and local laws, ordinances, rules and regulations. The Towing Service Provider shall make all reports required by the State of California Vehicle Code, and shall follow all rules or regulations which the City of Grand Terrace may prescribe for Vehicle Towing Service Providers. All services shall be performed in substantial accordance with the attached Exhibit "A" – Contractor Agreement. Under this Agreement, the Tow Service Provider will provide, but not be limited to the following scope of services:

TOWING

- The Towing Service Provider shall furnish such services as requested by the City of Grand Terrace Public Works Department and noted in the Contractor Agreement at any time during the day or night and shall:

- Give priority to City calls when requested;
 - Maintain sufficient personnel and equipment to provide for a maximum response time of twenty (20) minutes, except as otherwise provided herein;
 - Notify the Public Works Department upon receipt of request for tow when a tow unit cannot respond immediately and give an estimated time of arrival; and
- The Towing Service Provider shall conduct business in an ethical, lawful, competent and orderly manner so as to maintain the confidence and respect of the community and the integrity of City of Grand Terrace.
 - The Towing Service Provider, when notified by the Public Works Director or his or her designee of any complaint of dishonesty, incompetence, disrespect and/or discourtesy by the Towing Service Provider or its employee(s), shall investigate and respond in writing to the Public Works Director or his or her designee within ten (10) calendar days of receipt of notification of the complaint.
 - The Towing Service Provider shall make all records, equipment and storage facilities related to Towing Service Provider's performance under the Towing Services Agreement available for periodic inspection by the City Manager, the Public Works Director or their designees to determine if the garage is in compliance with the rules and regulations of the City
 - The Grand Terrace Public Works Department shall administer the Towing Services Agreement on behalf of the City and the Towing Service Provider shall abide by the directions and decisions of Public Works Department personnel at the scene of a call
 - Should there be any dispute between the Towing Service Provider and owner of the vehicle over charges made for services rendered under the Towing Services Agreement, such dispute shall be decided by the Grand Terrace Public Works Director or his or her designee and the Towing Service Provider shall make no demands upon the owner of the vehicle for sums in excess of the amount determined to be reasonable by the Public Works Director or his or her designee.

STORAGE

- Storage shall commence at the time the vehicle arrives at the Towing Service Provider's storage facility. Charges for vehicle storage shall be based on a daily rate. The daily rate extends from midnight to midnight of the following day. All qualifications shall include a true and correct of the proposer's schedule of fee, charges, deposits and other costs imposed upon any person whose vehicles are towed and/or stored by the proposers in the performance of the Contractor Agreement.

Exceptions:

- When a release request is made within the first "hour of storage", the storage fee shall be waived.
- When a release request is made within 24 hours, only one day's storage shall be charged regardless of the calendar date.
- When a release request is made between 7 p.m., and 12 a.m., (midnight), one day's storage fee shall be waived providing such release

occurs within the mandatory release hours (8 a.m. to 5 p.m.) of the following day.

- The Towing Service Provider shall provide a total storage capability for at least one hundred (100) vehicles. Should Towing Service Provider provide only one lot, all standards applicable to sections B and C below shall apply. Otherwise, Towing Service Provider shall comply with sections B, C and D below with respect to the lots described in said paragraphs.

B. PRIMARY STORAGE LOT

- The Towing Service Provider shall at all times provide and maintain a Primary Storage Facility with a minimum storage capacity of one hundred (100) vehicles dedicated to the storage of vehicles from PUBLIC WORKS DEPARTMENT pursuant to the Towing Services Agreement. The Primary Storage Facility shall be no more than ten (10) miles from the territorial boundaries of the City of Grand Terrace.
- The storage lot, or Primary Storage Facility if more than one such lot is maintained, shall be:
 - Immediately adjacent to or contain office facilities.
 - Adequate in size to accommodate all:
 - "Hold" vehicles;
 - Late model vehicles;
 - Specially equipped vehicles; and
 - Vehicles to be released immediately to owners.
 - Entirely surfaced with Vehicles to be released immediately either concrete or asphalt material.
 - Free of holes or areas that are decomposed or broken.
 - Clean and free of litter, debris, or weeds.
 - Include on-site security system and lighting that provides easy visibility to all areas of the lot while eliminating spill over onto neighboring properties.
 - Sized and dimensioned to afford safe access to all vehicles.

C. SECONDARY STORAGE LOTS

- The Towing Service Provider shall provide a total storage capability for fifty (50) vehicles in a Secondary Storage Facility. All Secondary Storage Facilities shall be inspected and approved by the Public Works Director or his or her designee prior to use. A Secondary Storage Facility is a designated location used by the Towing Service Provider as a yard or lot for the temporary storage of impounded vehicles. All Secondary Storage Facilities shall be within five (5) miles of Towing Service Provider's Primary Storage Facility.
- All Secondary Storage Facilities must be fenced for maximum security and lighted during the hours of darkness to afford illumination of all stored vehicles. Secondary Storage Facilities shall only be used to store vehicles with appraised values under one thousand dollars (\$1,000.00).

- A Secondary Storage Facility may be used for emergency temporary storage of vehicles with appraised values over one thousand dollars (\$1,000.00) with the prior written approval of the Public Works Director or his or her designee, but in such cases, an attendant must be on duty at the facility for security. The location where vehicles are stored within a Secondary Storage Facility shall be accurately recorded on the garage's impound records.

D. REGULATION FOR STORAGE OF VEHICLES

- All vehicles towed or stored by the Towing Service Provider under the Contractor Agreement shall be kept within the Primary or Secondary Storage Lot when under direct supervision. At no time shall such vehicles be parked or stored or left standing on any public street or alley.
- Undamaged vehicles shall be segregated from wrecked or junk vehicles and shall be kept in the primary lot. All vehicles shall be systematically parked and sufficiently separated to preclude the probability of damage. Unobstructed access shall be provided to all stored vehicles.
- Storage Facilities shall provide safe access to all stored vehicles and shall be kept clean and free of litter, debris, and weeds. Lighting of such lots shall be adequate to ensure required security of stored vehicles.
- The Towing Service Provider shall provide security to all primary and secondary storage facilities sufficient to reasonably preclude theft or damage to stored vehicles and as hereinafter provided.
- Unless otherwise provided by applicable city regulations, all outdoor areas used for storage shall be enclosed with a solid wall, chain link or wrought iron fence at least six (6) feet in height, having a gate or door of adequate width and equivalent height. The fence shall be covered from public view. All wall or fence enclosures shall be maintained in good condition throughout the term of the Contractor Agreement; any damage shall be repaired promptly within twenty-four (24) hours of notice of such damage.

FEES AND REPORTS

- The Towing Service Provider shall provide the Public Works Department on the fifteenth (15th) day of each month with a written report of all vehicles removed or impounded during the past month pursuant to the Towing Services Agreement.
 - This list shall include vehicle owner's name and address (if known), vehicle make, license and motor number, and Police report number.
 - The report shall also contain a list of the tow unit operators that were employed by the Towing Service Provider during any period of that reporting month, the list shall contain the tow unit operator's name, operator's license number, classification, and its expiration date.
 - The monthly report shall be signed under penalty of perjury by the Towing Service Provider's principal or primary manager for the performance of work under the Towing Services Agreement
- The Towing Service Provider shall collect all fees imposed by the City upon vehicles that the City causes to be towed, stored, or impounded. This money shall be paid to

the City on a monthly basis. Neither the City nor the Public Works Department shall be responsible to the Towing Service Provider for payment of towing, removal, or storage charges. The Towing Service Provider shall look to the owner of the vehicle for payment of applicable fees, charges or deposits or other sums payable for the towing and/or storage of a vehicle.

- **FRANCHISE FEES**

- Fees due the City under the contractor Agreement shall be 10% of the fee collected by the contractor. City reserves the right to increase the amount of the franchise fee no more than once each calendar year. Increase shall be sufficient to account for the increased cost of the City's administration of the towing program.
- The Franchise Fee payments of 10% per vehicle towed and/or impounded shall be paid on a monthly basis with payments received no later than the fifteenth (15th) of each month. If the deadline falls on a day in which the City is closed for business the deadline shall be extended to close of business of the next business day immediately following.
- In the event a Franchisee fails to timely pay any sums due the City, such failure shall constitute a default under the Towing Service Provider Agreement and such default must be cured within the applicable cure period set forth in the Towing Services Agreement. In addition, the City will assess a late fee of one hundred (\$100) per vehicle per month.
- In addition to the late fees, failure to make Franchise Fee payments on time shall constitute cause for the suspension of the Towing Service Provider's right to tow vehicles for the City as well as the termination of the Contractor Agreement.
- Towing Service Providers shall also be required to maintain a business license with the City.

TOW TRUCK EQUIPMENT

- The Towing Service Provider shall maintain a minimum of three (3) 14,000 to 19,500 Gross Vehicle Weight (GVW) manufacturer rated tow trucks with wheel lift capabilities. The main winch(es) shall be either mechanically or hydraulically driven and shall have a single or combined capacity of at least four (4) tons at bare drum or one (1) wrap of cable with a minimum of one hundred feet (100') of cable. Wheel lifts shall be rated at a minimum of 3,000 pounds lift capacity. Each such tow truck shall be equipped with a snatch block, dollies, one (1) ton floor jack and J/T hook chain assemblies.
- Official heavy-duty tow units will be requested by PUBLIC WORKS DEPARTMENT when the vehicle to be towed possesses one or more of the following: three or more axles; a gross weight, laden or un-laden, in excess of 10,000 pounds; or a combination of commercial trailers; vehicle is longer than thirty (30) feet in length (including tongue); vehicle is wider than eight (8) feet in width utilizing a fifth wheel hitch or pintle; the condition or position of the vehicle to be removed necessitates Heavy-Duty towing equipment. The Towing Service Provider may subcontract for heavy-duty tow services. The subcontractor shall

meet the standards set forth in the Towing Services Agreement.

- All trucks used in performing towing services under the Towing Services Agreement shall conform to all requirements of the State of California Vehicle Code and shall comply with the following:
 1. Truck bodies shall be painted and kept clean and in good repair, free of dents;
 2. The cab interior shall be kept clean;
 3. The tow truck bed shall be kept clean and equipment shall be properly mounted and maintained;
 4. Tail lamps, stop lamps and turn signal lamps with electrical extension cord shall be operable and shall be used on all towed vehicles; and,
 5. Each tow vehicle shall carry the following equipment:
 - i. State approved air tank or air transfer system
 - ii. Flashlight or portable light
 - iii. Floor jack - 1-ton minimum capacity
 - iv. Gasoline container – 2 ½ gallon minimum capacity
 - v. Lug wrench – 4-way and wrench for foreign cars
 - vi. Water container – 3-gallon minimum capacity
 - vii. Battery booster and cables
 - viii. Axe
 - ix. Sledge
 - x. Flares
 - xi. Bolt cutters
 - xii. Pry bar
 - xiii. 25 foot recovery chain
 - xiv. Trash can and absorbent.
 - xv. Broom and dustpan
 - xvi. Shovel

IV. Eligibility Requirements

1. INSURANCE

The Towing Service Provider shall procure and maintain for the term of the Contractor Agreement and any extension terms the insurance as required in Attachment 3 to Exhibit A Contractor Agreement. Towing Service Provider shall not commence work under the Contractor Agreement until proof of all required insurance has been provided to and accepted by the City to its reasonable satisfaction. The Towing Service Provider shall file with the Public Works Director care of the City Clerk, a policy or duly authorized certificate of liability insurance insuring the City of Grand Terrace, its officers, agents and employees, against liability.

2. INDEMNIFICATION

- a. Towing Service Provider agrees to indemnify, defend and hold harmless the City, its elected officials, officers, employees, attorneys, agents and volunteers (collectively, the “Indemnitees”), at Towing Service Provider’s sole expense,

from and against any and all lawsuits or other legal proceedings, claims, causes of action, losses, liabilities, penalties, forfeitures or actions of any kind asserted against any or all of the Indemnities arising out of the performance of Towing Service Provider and/or subcontractors in the performance of the Contractor Agreement.

- b. **Separate Counsel:** The City may elect to have separate legal counsel from Towing Service Provider at any time at its sole discretion, and in such case Towing Service Provider will pay all fees, costs and charges for such separate legal counsel as such costs and charges are invoiced by City's separate legal counsel, not at the conclusion of any litigation or settlement.
- c. **Subcontractors:** The Towing Service Provider shall require all subcontractors to enter into an Agreement containing the provisions set forth in this section in which Towing Services Agreement the subcontractor fully indemnifies the City in accordance with this RFQ and the Towing Services Agreement.
- d. **Damage by Towing Service Provider:** If the Towing Service Provider or its officers, employees, agents, volunteers or subcontractors cause any injury, damage or loss to City property, including by not limited to City streets or curbs, Towing Service Provider shall reimburse City for City's cost of repairing such injury, damage or loss. Such reimbursement is not in derogation of any right of the City to be indemnified by Towing Service Provider for any such injury, damage or loss. With the prior written approval of City, Towing Service Provider may repair the damage at Towing Service Provider's sole cost and expense.
- e. **Tort Claims Act:** This RFQ and the Towing Services Agreement shall in no way act to abrogate or waive any immunities available to the City under the Tort Claims Act of the State of California.

V. Selection Process

Submission of Qualifications

An original and three paper copies must be received at City Hall no later than the deadline. Qualifications must be submitted to the City care of the Office of the City Clerk ("City Clerk") located at Grand Terrace City Hall – 22795 Barton Road, Grand Terrace, California 92313. Qualifications received by the City Clerk after the deadline will not be considered. The City Clerk will accept qualifications submitted in person, by mail, or overnight courier (e.g., UPS, FedEx etc.). All Qualifications and documents submitted will become the property of the City.

Evaluation of Qualifications

The purpose of this RFQ is to solicit meaningful qualifications so that the City may evaluate and solicit, from among a range of proposals which best meets its needs and requirements. It is further desired that the RFQ process will ensure a qualified provider and cost competitiveness among Proposers. The City urges all interested Proposers to carefully review the requirements of this RFQ. Written proposals containing the requested information will serve as the primary basis for final selection.

Based on staff recommendation, the City Council will consider approval of the Vehicle Towing and Secure Storage Service firm for a three year period. The City Council may choose to reject all proposals.

Evaluation Procedure

The City will award a contract to the firm which best meets the needs of the City, in the sole discretion of the City. City staff will review each proposal for completeness and content. Each proposal will be evaluated based upon the relevant qualifications and experience of the Proposer. Staff may conduct interviews if necessary. License status and references will also be verified.

Questions and Requests for Clarification

Written questions or requests for clarification may be submitted via email to Adreane Freeman at afreeman@grandterrace-ca.gov by 5:00pm on August 22, 2016. Responses to questions and requests for clarification shall be communicated in writing and posted on the City's internet homepage through an Addendum to the Request for Proposals.

VI. Required Company Information

Each proposal must provide detailed company information sufficient for the City to evaluate the proposer's capability to provide its vehicle towing and secure storage services. **Proposals should include truthful, accurate and detailed information concerning the following:**

1. The size, age, condition, accident history, safety, upkeep and state of the art character of the proposer's vehicle fleet and related equipment; and the proposer's degree of readiness to deploy such vehicles and equipment in satisfaction of the Towing Services Agreement as of the date of the award.
2. The size, condition, security and state of the art character of the proposer's secured vehicle storage facilities; the readiness of the facilities to receive and securely store vehicles referred by the Grand Terrace Public Works Department as of the date of the award; the proximity of those facilities to the City of Grand Terrace (in miles); the facilities' days and hours of operation and staffing levels during such days and hours of operation; and the facilities policies and procedures for engaging and informing members of the public who are attempting to retrieve their vehicles during business hours or during hours when the facilities are closed for

business.

3. The character and integrity of the proposer, its principals, officers, managers and/or employees is critically important to the City of Grand Terrace. With respect to this evaluation please provide responses to the following requested information:
 - a. Disclose the firm's policy for screening tow truck drivers for criminal conduct, alcohol abuse and controlled substance use, and protocols for routinely testing for alcohol abuse and controlled substance use.
 - b. Describe driver recruitment and training policies, including, but not limited to, policies for training tow truck drivers and impound yard personnel to provide courteous, honest and ethical services to persons whose vehicles have been impounded.
4. The knowledge and familiarity of the officers, key managers and employees of your firm, including drivers, with the California Vehicle Code, specifically, provisions relating to the services contemplated under this RFQ, including but not limited to provisions of the California Vehicle Code relating to the safe and lawful towing, impoundment and secure storage of motor vehicles and the lawful operation of facilities where impounded vehicles are stored.
5. The proposer's impound policies and practices and impound rates and the strategies the proposer has in place to facilitate the speedy and cost-effective return of vehicles to persons whose vehicles have been impounded so as to minimize the accrual of costly impound fees.
6. Information regarding similar services performed for municipalities and other public agencies within the previous five (5) years.

3. SELECTION OF PROPOSERS

The City reserves the right to reject any and all proposals, to waive any informalities and/or defects in any proposal, and to select the Proposal that provides the City the best value and serves its needs best in the judgment of the City Council. Proposals will be considered only in their entirety. Late proposals will not be considered.

The City reserves the right to interview some proposers and not others following an initial review of proposals and further reserves the right to select only one or more proposers for final City Council consideration and approval following interviews.

VII. Estimated Timeline

See cover page of Request for Qualifications.

VIII. Proposal Format

The detailed proposal must include, at a minimum, the following information:

- A. Company Information: A description of the Contractor's firm, including the year the firm was established, the type of organization (partnership, corporation, etc.) and a statement of the firm's qualifications for addressing all of the requirements outlined in this Request for Qualifications (RFQ).
- B. Scope of Work: Outline expressing the Proposer's understanding of this Request for Proposals and summarizing the approach to fully address the Scope of Work in this RFQ.
- C. Personnel Experience: A summary of the qualifications and experience of each member proposed to provide vehicle towing and secure storage services.
- D. Comparable Projects: A project summary list with descriptions of the proposed team's experience relative to the provision of vehicle towing and secure storage services. Emphasis should be given to work done for public entities.
- E. References: A list of references of relevant clients, including a contact person with their current telephone number and email address.
- F. Fees: A fixed fee schedule that includes the equipment and installation costs and well as the hourly rate and classification of all employees who would be assigned to the anticipated project.

IX. Acceptance or Rejection of Proposal

The City reserves the right to accept or reject any and all proposals for any reason or no reason. The City also reserves the right to waive any informality or irregularity in any proposals. Additionally, the City may, for any reason decide not to award an Agreement as a result of this RFQ or cancel the RFQ process. The City shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by the submission of the proposal. The City reserves the right to negotiate the project deliverables and associated costs.

Public Works Department Tow Listing Application * Contractor to fill out and submit with proposal *****

BUSINESS		
1. BUSINESS NAME AND MAILING ADDRESS	TELEPHONE NUMBER(S)	
	2. DAY	
	3. NIGHT	
4. BUSINESS ADDRESS IF DIFFERENT THAN ABOVE	5. AUTOMOBILE CLUB AFFILIATIONS	
6. DO YOU HAVE 24 HOURS A DAY SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO	7. YEARS IN THE TOWING BUSINESS	
8. HAVE YOU OR ANYONE FINANCIALLY INVOLVED WITH YOUR COMPANY EVER BEEN CONVICTED OF A FELONY INVOLVING STOLEN OR EMBEZZLED VEHICLES, STOLEN PROPERTY, FRAUD RELATED TO THE TOWING BUSINESS, OR <input type="checkbox"/> YES <input type="checkbox"/> NO		
VEHICLE STORAGE		
9. PRIMARY STORAGE YARD (COMPLETE ADDRESS)	OWNED LEASED RENTED	DISTANCE FROM GRAND TERRACE _____ MILES
10. SECONDARY STORAGE YARD (COMPLETE ADDRESS)	OWNED LEASED RENTED	DISTANCE FROM GRAND TERRACE _____ MILES
11. IS STORAGE YARD FENCED (6'), LIGHTED? <input type="checkbox"/> YES <input type="checkbox"/> NO		
12. IS DISPATCHER ON DUTY 24 HOURS/DAY, SEVEN DAYS/WEEK, 365 DAYS/YEAR? <input type="checkbox"/> YES <input type="checkbox"/> NO		
13. IS THERE A SECURE INVESTIGATIVE HOLD AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO		
FINANCIAL INTEREST		
14. LEGAL OWNER (PERSON(S), FIRM, COMPANY, ASSOCIATION OR CORPORATION)		
15. DO YOU HAVE FINANCIAL INTEREST IN ANY OTHER TOW COMPANY WITHIN GRAND TERRACE? <input type="checkbox"/> YES <input type="checkbox"/> NO		
16. DOES ANY MEMBER OF YOUR FAMILY OPERATE ANOTHER TOW SERVICE IN GRAND TERRACE? <input type="checkbox"/> YES <input type="checkbox"/> NO		
17. DO YOU SHARE ANY FACILITIES WITH ANY OTHER LICENSED TOW COMPANY? <input type="checkbox"/> YES <input type="checkbox"/> NO		
18. IF THE ANSWER TO ANY OF THE ABOVE IS YES, PROVIDE NAME OF THE TOW COMPANY		
TOW TRUCKS		
<input type="checkbox"/> CLASS A (14,000 – 19,500 GVWR)	<input type="checkbox"/> CLASS B (19,501 – 33,000 GVWR)	
<input type="checkbox"/> CLASS C (33,001 – 50,000 GVWR)	<input type="checkbox"/> CLASS D (OVER 50,001)	
19. IS AT LEAST ONE CLASS A TRUCK, EITHER A WHEEL LIFT OR A CAR CARRIER? <input type="checkbox"/> YES <input type="checkbox"/> NO		
SIGNATURE	PRINT OR TYPE NAME AND TITLE	DATE

7/19/16

Contractor Agreement

The award of a Contractor Agreement resulting from the RFQ shall include terms and conditions similar to those referenced in the City's standard agreement, which is attached. Exceptions proposed by the contractor, if any, to the terms and conditions included in the City's standard agreement should be included in the response. The City reserves the right to consider any proposed exceptions during its evaluation of the acceptability of a proposal.

EXHIBIT A: CONTRACTOR AGREEMENT

THIS AGREEMENT ("Agreement") is made as of this ____ day of ____, 2016 by and between the CITY OF GRAND TERRACE ("City") and _____ ("Contractor").

1. **CONTRACTOR'S SERVICES.** Contractor agrees to perform during the term of this Agreement, the tasks, obligations, and services set forth in the City's "Request for Qualifications" attached to and incorporated into this Agreement as Attachment 1 (the "RFQ") and as further set forth in Contractor's "Proposal in Response to RFQ" attached as Attachment 2 (the "Proposal"). Collectively the RFQ and the Proposal are referred to as the "Services."
2. **TERM OF AGREEMENT.** The term of this Agreement shall be from the effective date of this Agreement and shall end on _____ or when the work is satisfactorily completed, whichever occurs first, unless extended by a supplemental agreement.
3. **FAMILIARITY WITH WORK.** By execution of this Agreement, Contractor warrants that
 - (1) It has thoroughly investigated and considered the work to be performed, based on all available information.
 - (2) It carefully considered how the work should be performed, and
 - (3) It fully understands the difficulties and restrictions attending the performance of the work under this Agreement.
 - (4) It has the professional and technical competency to perform the work and the production capacity to complete the work in a timely manner with respect to the schedule included in the scope of services.
4. **PAYMENT FOR SERVICES.** Contractor shall perform the Services pursuant to the terms of this Agreement, in consideration of the compensation set forth in the "Schedule of Compensation" attached to and incorporated into this Agreement as Attachment 4. The fees for services shall not exceed the authorized amount of \$ _____ as set forth in Attachment "4," unless the CITY has given specific advance approval in writing.
5. **PREVAILING WAGE.** Contractor understands that it may be required to pay and cause all of its subcontractors to pay prevailing wages in compliance with California Labor Code Section 1770, and comply with all regulations and statutory requirements pertaining thereto. Contractor further acknowledges and agrees that City has not and is not making any representation, warranty, or guarantee regarding the applicability of

prevailing wage requirements, and Contractor agrees that it shall be independently responsible for reviewing the applicable law and regulations and complying therewith. In addition to any other indemnifications set forth in this Agreement, Contractor shall indemnify, defend, and hold the City and its respective officers, employees, and agents harmless from and against any liability, loss, damage, cost or expenses (including reasonable attorneys' fees, expert witness fees, and court costs) arising from Contractor's failure, or its subcontractor's failure, to pay the applicable prevailing wages in accordance with California law.

6. **TIME FOR PERFORMANCE.** Contractor shall not perform any work under this Agreement until (a) Contractor furnishes proof of insurance as required under Paragraph "8" of this Agreement. All services required by Contractor under this Agreement shall be completed on or before the end of the term of the Agreement. Time is of the essence.
7. **DESIGNATED REPRESENTATIVE.** Contractor hereby designates _____ as the Contractor Representative, and said Representative shall be responsible for job performance, negotiations, contractual matters, and coordination with the City. Contractor's professional services shall be actually performed by, or shall be immediately supervised by, the Contractor Representative.
8. **HOLD HARMLESS; INDEMNIFICATION.** Contractor hereby agrees to protect, indemnify and hold City and its employees, officers and servants free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees and other expenses incurred by the City arising in favor of any party, including claims, liens, debts, personal injuries, including employees of the City, death or damages to property (including property of the City) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of the negligent acts, recklessness, willful misconduct, act or omission of Contractor in the performance of its services under this Agreement. This provision is not intended to create any cause of action in favor of any third party against Contractor, or the City or to enlarge in any way the Contractor's liability but is intended solely to provide for indemnification of the City for liability for damages or injuries to third persons or property arising from Contractor's negligent performance hereunder. Notwithstanding the foregoing, Contractor shall not be liable to indemnify City for the sole active negligence of will misconduct of City.
9. **INSURANCE.** Contractor shall procure and maintain at all times during the term of this Agreement insurance as set forth in Attachment "3" attached hereto. Proof of insurance shall consist of a Certificate of Insurance in a form approved by, the City's City Attorney.
10. **LICENSES, PERMITS, AND FEES.** Contractor shall obtain a City of Grand Terrace Business License and any and all other permits and licenses required for the services to be performed under this Agreement.

11. **INDEPENDENT CONTRACTOR STATUS.** City and Contractor agree that Contractor, in performing the Services herein specified, shall act as an independent Contractor and shall have control of all work and the manner in which it is performed. Contractor shall be free to contract for similar services to be performed for other entities while under contract with City. Contractor is not an agent or employee of City, and is not entitled to participate in any pension plan, insurance, bonus or similar benefits City provides for its employees. Contractor shall be responsible to pay and hold City harmless from any and all payroll and other taxes and interest thereon and penalties, therefore, which may become due as a result of services performed hereunder.
12. **ASSIGNMENT.** This Agreement is for the specific services with Contractor as set forth herein. Any attempt by Contractor to assign the benefits or burdens of this Agreement without written approval of City is prohibited and shall be null and void; except that Contractor may assign payments due under this Agreement to a financial institution.
13. **STANDARD.** Contractor agrees that the services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily provided by an experienced and competent professional organization rendering the same or similar services. Contractor shall re-perform any of said services, which are not in conformity with standards as determined by the City.
14. **CONFIDENTIALITY.** Contractor covenants that all data, documents, discussion, or other information developed or received by Contractor or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contractor without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Contractor's covenant under this Section shall survive the termination of this Agreement.
15. **RECORDS AND INSPECTIONS.** Contractor shall maintain full and accurate records with respect to all services and matters covered under this Agreement. City shall have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. Contractor shall maintain an up-to-date list of key personnel and telephone numbers for emergency contact after normal business hours.
16. **OWNERSHIP OF CONTRACTOR'S WORK PRODUCT.** All reports, documents, all analysis, computations, plans, correspondence, data, information, computer media, including disks or other written material developed and/or gathered by Contractor in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Such Material shall not be the subject of a copyright application by Contractor. Any re-use by City of any such materials on any project other than the project for which they were prepared shall be at the sole risk of City unless City compensate Contractor for such use. Such work product shall be transmitted to City within ten (10) days after a written request therefore. Contractor may retain copies of such products.

17. NOTICES. All notices given or required to be given pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail. Notice sent by mail shall be addressed as follows:

City: Yanni Demitiri, Public Works Director
 City of Grand Terrace
 22795 Barton Road
 Grand Terrace, Ca 92313

Contractor:

If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person, is changed, written notice shall be given within five (5) working days of said changes

18. TAXPAYER IDENTIFICATION NUMBER. Contractor shall provide City with a complete Request for Taxpayer Identification Number and Certification, Form W -9, as issued by the Internal Revenue Service.
19. APPLICABLE LAWS, CODES AND REGULATIONS. Contractor shall perform all services described in accordance with all applicable laws, codes and regulations required by all authorities having jurisdiction over the Services. Contractor agrees to comply with prevailing wage requirements as specified in the California Labor Code, Sections 1770, et seq.
20. RIGHT TO UTILIZE OTHERS. City reserves the right to utilize others to perform work similar to the Services provided hereunder.
21. BENEFITS. Contractor will not be eligible for any paid benefits for federal , social security, state workers' compensation, unemployment insurance, professional insurance, medical/dental, retirement PERS or fringe benefits offered by the City of Grand Terrace.
22. PERS ELIGIBILITY INDEMNITY. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

24. **CONFLICT OF INTEREST.** Contractor agrees that any conflict or potential conflict of interest shall be fully disclosed prior to execution of contract and Contractor shall comply with all applicable federal, state and county laws and regulations governing conflict of interest.
25. **ECONOMIC INTEREST STATEMENT.** Contractor hereby acknowledges that pursuant to Government Code Section 87300 and the Conflict of Interest Code adopted by City hereunder, Contractor is designated in said Conflict of Interest Code and is therefore required to file an Economic Interest Statement (Form 700) with the City Clerk, for each employee providing advise under this Agreement, prior to the commencement of work.
26. **POLITICAL ACTIVITY/LOBBYING CERTIFICATION.** Contractor may not conduct any activity, including any payment to any person, officer, or employee of any governmental agency or body or member of Congress in connection with the awarding of any federal contract, grant, loan, intended to influence legislation, administrative rulemaking or the election of candidates for public office during time compensated under the representation that such activity is being performed as a part of this Agreement.
27. **NON-DISCRIMINATION.** In the performance of this Agreement, Contractor shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age physical or mental handicap, medical condition, or sexual orientation. Contractor will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.
28. **AUDIT OR EXAMINATION.** Contractor shall keep all records of funds received from City and make them accessible for audit or examination for a period of three years after final payments are issued and other pending matters.
29. **MODIFICATION OF AGREEMENT.** This Agreement may not be modified, nor may any of the terms, provisions or conditions be modified or waived or otherwise affected, except by a written amendment signed by all parties.

30. WAIVER. If at any time one party shall waive any term, provision or condition of this Agreement, either before or after any breach thereof, no party shall thereafter be deemed to have consented to any future failure of full performance hereunder.
31. COVENANTS AND CONDITIONS. Each term and each provision of this Agreement to be performed by Contractor shall be construed to be both a covenant and a condition.
32. RIGHT TO TERMINATE. City may terminate this Agreement at any time, with or without cause, in its sole discretion, with thirty (30) days written notice.
33. EFFECT OF TERMINATION. Upon termination as stated in Paragraph "32" of this Agreement, City shall be liable to Contractor only for work performed by Contractor up to and including the date of termination of this Agreement, unless the termination is for cause, in which event Contractor need be compensated only to the extent required by law. Contractor shall be entitled to payment for work satisfactorily completed to date, based on proration of the monthly fees set forth in Attachment "4" attached hereto. Such payment will be subject to City's receipt of a close-out billing.
34. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of San Bernardino. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.
35. LITIGATION FEES. Should litigation arise out of this Agreement for the performance thereof, the court shall award costs and expenses, including attorney's fees, to the prevailing party. In awarding attorney's fees, the court shall not be bound by any court fee schedule but shall award the full amount of costs, expenses and attorney's fees paid and/or incurred in good faith. "Prevailing Party" shall mean the party that obtains a favorable and final judgment or order from a court of law described in paragraph "33." This paragraph shall not apply and litigation fees shall not be awarded based on an order or otherwise final judgment that results from the parties' mutual settlement, arbitration, or mediation of the dispute.
36. SEVERABILITY. If any provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless will continue in full force and effect without being impaired or invalidated in any way.
37. FORCE MAJEURE. The respective duties and obligations of the parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.

38. INTEGRATED AGREEMENT. This Agreement, together with Exhibits "A," "B" and "C" supersede any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representation by any party, which is not embodied herein, nor any other agreement; statement or promise not contained in this Agreement shall be valid and binding. Any modification of the Agreement shall be effective only if it is in writing and signed by all parties.
39. EFFECTIVE DATE. The effective date of this Agreement is the date the Notice to Proceed is received by Contractor, and shall remain in full force and effect until amended or terminated.

Dated: _____

"CITY"

By: _____

G. Harold Duffey
City Manager

Dated: _____

"CONTRACTOR"

By: _____

APPROVED AS TO FORM

Richard L. Adams II
City Attorney

ATTACHMENT "1"

REQUEST FOR QUALIFICATIONS

ATTACHMENT "2"

PROPOSAL

Attachment "3" Insurance Requirements

The Contractor shall maintain throughout the duration of the term of the Agreement, liability insurance covering the Contractor and, with the exception of Professional Liability Insurance, designating City and City including its elected or appointed officials, directors, officers, agents, employees, volunteers, or Contractors, as additional insured against any and all claims resulting in injury or damage to persons or property (both real and personal) caused by any aspect of the Contractor's work, in amounts no less than the following and with such deductibles as are ordinary and reasonable in keeping with industry standards. It shall be stated, in the Additional Insured Endorsement, that the Contractor's insurance policies shall be primary as respects any claims related to or as the result of the Contractor's work. Any insurance, pooled coverage, or self-insurance maintained by the City and City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or Contractors shall be non-contributory.

Professional Liability Insurance	\$1,000,000/\$2,000,000
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General Liability:

a.	General Aggregate	\$2,000,000
b.	Products Comp/Op Aggregate	\$2,000,000
c.	Personal & Advertising Injury	\$1,000,000
d.	Each Occurrence	\$1,000,000
e.	Fire Damage (any one fire)	\$ 50,000
f.	Medical Expense (any one person)	\$ 5,000

Workers' Compensation:

a.	Workers' Compensation	Statutory Limits
b.	EL Each Accident	\$1,000,000
c.	EL Disease - Policy Limit	\$1,000,000
d.	EL Disease - Each Employee	\$1,000,000

Automobile Liability

a.	Any vehicle, combined single limit	\$1,000,000
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On Hook Physical Damage Liability Insurance

a.	Per vehicle	\$150,000
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The Contractor shall provide thirty (30) days advance notice to City in the event of material changes or cancellation of any coverage. Certificates of insurance and additional insured endorsements shall be furnished to City thirty (30) days prior to the effective date of this Agreement. Refusal to submit such certificates shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement. If proof of insurance required under this Agreement is not delivered as required or if such insurance is canceled and not adequately replaced, City shall have the right but not the duty to obtain replacement insurance and to charge the Contractor for any premium due for such coverage. City has the option to deduct any such premium from the sums due to the Contractor.

Insurance is to be placed with insurers authorized and admitted to write insurance in California and with a current A.M. Best's rating of A-:VII or better. Acceptance of insurance from a carrier with a rating lower than A-:VII is subject to approval by City's Risk Manager. Contractor shall immediately advise City of any litigation that may affect these insurance policies.

Deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (b) the Towing Service Provider shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

Subcontractors: Towing Service Provider shall include all subcontractors as insureds under its policies or require and verify that all subcontractors maintain insurance meeting all the requirements of this Contractor Agreement.

Attachment "4" Schedule of Compensation